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EAST EUROPE BRANCH NOTES

April 10, 1974

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State Dept. review completed

HUNGARYScheel Visits Budapest

West German Foreign Minister Scheel ended his working visit to Hungary on April 9, after staying over an extra night. The visit produced no new agreements, but the two sides did map out future bilateral negotiations. Scheel also had a short session with party leader Kadar.

The two sides agreed during "a cordial and constructive exchange of views" to begin work on agreements for long-term economic ties, scientific-technical cooperation, cultural collaboration, and transport cooperation. The communique drew special attention to the need to expand industrial cooperation ventures. Scheel apparently briefed the Hungarians on Bonn's economic policy to the East in relationship to its EC membership. A West German news report said the Hungarians expressed their preference to negotiate directly with individual EC countries rather than with the EC as an institution.

Judging by available press items, the talks on the international situation did not go smoothly, despite the applause for detente, European security, and force reductions. The Hungarians evidently pressed for West German support for a summit level session to cap the European security exercise. Scheel publicly expressed West German readiness for such a summit, but said the level of representation depended on the success of the talks.

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ROMANIAPLO Office in Bucharest

The US Embassy reports that the diplomatic community is abuzz with the rumor that the Palestine Liberation Organization (PLO) will shortly open an office in Bucharest. According to several Arab news services, Ceausescu extended the invitation to the PLO when he met with Fedayeen head Arafat during his visit to Lebanon in February.

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The rumor probably is correct. Just prior to Ceausescu's Mideast tour, the Romanians adopted a decided pro-PLO stance, calling it the true "representative of the Palestinian people." This new posture was apparently part of Bucharest's slight but visible shift toward a more pro-Arab stance, probably in response to the threat of oil embargo advocated by the more militant Arab states.

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POLAND

Everyone Talks About It

A Warsaw radio commentator has lodged a complaint against the weatherman. Specifically, he charges that April 9 dawned warm and bright despite a forecast of cold and rain. Unfortunately, he notes, Poland is suffering a severe drought after several weeks of balmy weather. Thus, false forecasts of rain are no laughing matter. Crops are suffering, river transport has slowed, drinking water is growing scarce, the danger of fire has increased, and manufacturers are lagging in those industries using large amounts of water. The situation is apparently not yet critical, but the implication is growing, nonetheless, that the meteorologists had better produce precipitation--or else.

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